



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Denver, CO
80204-2581

JUL 22 2003

Reply to
Attn of:

CACFP-713

Subject:

Child and Adult Care Food Program (CACFP) – Automated Controls in Sponsors' Claims Systems

To:

STATE AGENCY DIRECTORS - Colorado DPHE, Iowa, Kansas, Missouri DHSS,
(Special Nutrition Programs) Montana DPHHS, Nebraska, North Dakota,
South Dakota, Utah and Wyoming

In its CACFP Analysis of Large Sponsors Audit, the Office of Inspector General (OIG) recommended that, "sponsors implement specific automated controls in their computerized claims systems to prevent payments to providers for meals served before their eligibility dates."

We support and encourage automation to the extent practicable. However, sponsoring organizations are not required to be automated in order to participate in our Program, but must comply with the State agency's (SAs) specific policy regarding approval of a provider's agreement. If applicable, the sponsor's automated payment system should incorporate specific fields and edit checks that ensure claims are not paid prior to the first date of eligibility allowed under the SA's policy.

If you have any questions, please contact our office at (303) 844-0359.

for

DARLENE SANCHEZ
Regional Director
Special Nutrition Programs